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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Oakland Democratic Campaign Committee) MUR 5236
and David Woodward, as Treasurer)

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe the Oakland Democratic Campaign Committee, and David Woodward, as treasurer ("Respondent"): 1) failed to correctly itemize shared administrative expenses from the non-federal accounts and federal account in violation of 2 U.S.C. § 434, 11 C.F.R. § 104.3(b)(3) and 11 C.F.R. § 104.10(b)(4); 2) failed to correctly identify the purpose of the disbursements made from its federal account in violation of 2 U.S.C. § 434 and 11 C.F.R. § 104.3(b); 3) operated its bingo accounts as federal accounts and failed to comply with reporting requirements for its bingo accounts in violation of 2 U.S.C. § 434 and 11 C.F.R. § 104.3; 4) failed to correctly disclose the financial activity on its bingo accounts in violation of 2 U.S.C. §§ 434(b)(1), (b)(2), and (b)(4); 5) failed to properly deposit all of its receipts from bingo games into its bingo accounts established pursuant to 11 C.F.R. § 103.2 in violation of 2 U.S.C. § 432(h)(1) and 11 C.F.R. § 103.3(a); 6) failed to properly itemize disbursements from its bingo accounts to individuals for prizes paid in amounts aggregating in excess of \$200 in the calendar year in violation of 2 U.S.C. § 434(b)(5)(A); 7) operated the Oakland County Regular Account as a federal account

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1 and failed to correctly disclose financial activity on its Regular account in violation of
2 2 U.S.C. §§ 434(b)(2), and (b)(4); 8) operated the Operating Fund as a federal account
3 and failed to correctly disclose financial activity on this account in violation of 2 U.S.C.
4 § 434; and 9) violated 2 U.S.C. § 441b(a) by accepting prohibited contributions.

5 NOW, THEREFORE, the Commission and the Respondent, having participated
6 in informal methods of conciliation, prior to a finding of probable cause to believe, do
7 hereby agree as follows:

8 I The Commission has jurisdiction over the Respondent and the subject
9 matter of this proceeding, and this agreement has the effect of an agreement entered
10 pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

11 II Respondent has had a reasonable opportunity to demonstrate that no action
12 should be taken in this matter.

13 III Respondent enters voluntarily into this agreement with the Commission.

14 IV. The pertinent facts in this matter are as follows:

15 1. The period of time during which the Respondent's violations occurred
16 is July 31, 1997 through December 31, 1998.

17 2. All disbursements, contributions, expenditures and transfers by a
18 political committee in connection with any federal election shall be made from its federal
19 account that is to be established in accordance with 11 C.F.R. § 103 and comply with the
20 registration and reporting requirements of 11 C.F.R. parts 102 and 104. 11 C.F.R.
21 §102.5(a)(1).

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1 3. Administrative expenses shall be allocated between the federal account
2 and any other account maintained by a committee for the purpose of financing activity in
3 connection with a non-federal election. 11 C.F.R. §102.5(a)(1)(i).

4 4. No transfers may be made to the federal account from any other
5 account(s) maintained by the organization for the purpose of financing activity in
6 connection with a non-federal election, except as provided in 11 C.F.R. §106.5(g) and
7 106.6(e).

8 5. A party committee shall either pay its allocable expenses from the
9 federal account and transfer the non-federal share into the federal account or establish an
10 allocation account in which funds may be deposited solely to cover allocable expenses for
11 joint federal and non-federal activity. 11 C.F.R. § 106.5(g)(1), (2).

12 6. Each political committee and its treasurer shall file a report pursuant to
13 2 U.S.C. § 434 and must disclose the total amount of all disbursements. 2 U.S.C.
14 § 434(b)(4).

15 7. Each political committee must itemize disbursements that aggregate in
16 excess of \$200 within a calendar year along with the date, amount and purpose of the
17 disbursements. 11 C.F.R. § 104.3(b)(3).

18 8. Each political committee must report each disbursement made from its
19 federal or allocation account including the full name and address of payee, the date,
20 amount and purpose of disbursement. 11 C.F.R. § 104.10(b)(4).

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- 1 9. Each political committee must provide adequate information on its
2 disclosure reports regarding disbursements. 2 U.S.C. § 434(b)(4); 11 C.F.R.
3 § 106.5(g)(10).
- 4 10. Each political committee must adequately identify the purpose of
5 disbursements. 2 U.S.C. § 434(b)(4) and 11 C.F.R. § 104.3(b)(3)(I)(A).
- 6 11. Each political committee must operate bingo accounts as separate
7 federal accounts and comply with all reporting requirements. 2 U.S.C. § 434 and
8 11 C.F.R. § 104.3.
- 9 12. Each political committee must file accurate disclosure reports on the
10 financial activity of its bank accounts, including bingo accounts. 2 U.S.C. §§ 434(b)(1),
11 (b)(2), (b)(4).
- 12 13. Each political committee must deposit all receipts received by a
13 committee into its checking account(s) at depository designated by the committee.
14 2 U.S.C. § 432(h)(1).
- 15 14. All receipts by a political committee must be deposited in account(s)
16 established pursuant to 11 C.F.R. 103.2 within 10 days of the treasurer's receipt.
17 11 C.F.R. § 103.3(a).
- 18 15. Each political committee must properly itemize for disbursements to
19 individuals who received prizes in amounts aggregating in excess of \$200 in the calendar
20 year from its bingo accounts. 2 U.S.C. § 434(b)(5)(A).
- 21 16. It is unlawful for any national bank or corporation to make a
22 contribution or expenditure in connection with any election to any political office; or for a

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1 committee to accept a contribution or funds for an expenditure from any national bank or
2 corporation in connection with any election to any political office 2 U.S.C. § 441b(a).

3 17. Oakland Democratic Campaign Committee is a political committee
4 within the meaning of 2 U.S.C. § 431(4).

5 18. David Woodward is the Treasurer for the Oakland Democratic
6 Campaign Committee.

7 IV. Respondent failed to correctly itemize shared administrative expenses
8 from the non-federal accounts and federal account in violation of 2 U.S.C. § 434,
9 11 C.F.R. § 104.3(b)(3) and 11 C.F.R. § 104.10(b)(4).

10 V. Respondent failed to correctly identify the purpose of the disbursements
11 made from its federal account in violation of 2 U.S.C. § 434 and 11 C.F.R. § 104.3(b).

12 VI. Respondent operated its bingo accounts as federal accounts and failed to
13 comply with reporting requirements for its bingo accounts in violation of 2 U.S.C. § 434
14 and 11 C.F.R. § 104.3.

15 VII. Respondent failed to correctly disclose the financial activity on its bingo
16 accounts in violation of 2 U.S.C. §§ 434(b)(1), (b)(2), and (b)(4).

17 VIII. Respondent failed to properly deposit all of its receipts from bingo games
18 into its bingo accounts established pursuant to 11 C.F.R. § 103.2 in violation of 2 U.S.C.
19 § 432(h)(1) and 11 C.F.R. § 103.3(a).

20 IX. Respondent failed to properly itemize disbursements from its bingo
21 accounts to individuals for prizes paid in amounts aggregating in excess of \$200 in the
22 calendar year in violation of 2 U.S.C. § 434(b)(5)(A.).

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1 X. Respondent operated the Oakland County Regular Account as a federal
2 account and failed to correctly disclose financial activity on this account in violation of
3 2 U.S.C. §§ 434(b)(2), and (b)(4).

4 XI. Respondent violated 2 U.S.C. § 441b(a) by accepting prohibited
5 contributions.

6 XII. Respondent will pay a civil penalty to the Federal Election Commission in
7 the amount of \$25,000 pursuant to 2 U.S.C. § 437g(a)(5)(A).

8 XIII. Respondent will also transfer \$13,300 in prohibited contributions from its
9 federal account to its state account within a four (4) month period time from the date the
10 conciliation agreement is signed by all parties and approved by the Commission.
11 Respondent will provide copies of validated deposit receipts and bank statements in order
12 to document that the transfer of prohibited contributions from its federal account to its
13 state account has been completed.

14 XIV. Respondent also agrees to cease and desist from violating 2 U.S.C.
15 §§ 432(h)(1), 434, 434 (b)(1), 434(b)(2), 434(b)(4), 434(b)(5)(A), 441b(a) and 11 C.F.R.
16 §§ 102.5, 103.2, 103.3(a), 104.3, 104.3(b)(3), 104.10(b)(4).

17 XV. The Commission, on request of anyone filing a complaint under 2 U.S.C.
18 § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review
19 compliance with this agreement. If the Commission believes that this agreement or any
20 requirement thereof has been violated, it may institute a civil action for relief in the
21 United States District Court for the District of Columbia.

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1 XVI This agreement shall become effective as of the date that all parties hereto
2 have executed the same and the Commission has approved the entire agreement.
3 Respondent shall have no more than 30 days from the date this agreement becomes
4 effective to comply with and implement the requirements contained in this agreement and
5 to so notify the Commission. The parties agree that this provision does not apply to the
6 transfer of prohibited contributions provision in paragraph XIII that is to be completed
7 within a four month time period.

8 XVII This Conciliation Agreement constitutes the entire agreement between the
9 parties on the matters raised herein, and no other statement, promise, or agreement, either
10 written or oral, made by either party or by agents of either party, that is not contained in
11 this written agreement shall be enforceable. The Commission and the Respondents agree
12 that this Conciliation Agreement concludes and settles the matters at issue in the audit of
13 the Respondent for the period July 31, 1997 to December 31, 1998.

14 FOR THE COMMISSION:

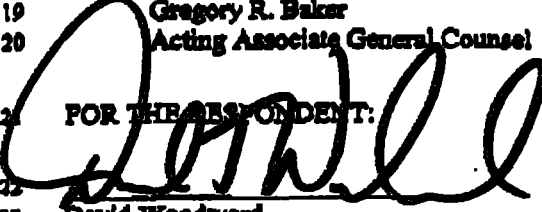
15 Lawrence H. Norton
16 General Counsel

17 BY: 
18

19 Gregory R. Baker
20 Acting Associate General Counsel

8/01/02
Date

21 FOR THE RESPONDENT:

22 
23 David Woodward
24 Treasurer

8-1-02
Date